



## Nebraska RAC Annual Report

### Pursuant to Statute 68-974

### Reporting Period 7/1/17 to 11/29/17

The Recovery Audit contract with HMS (Health Management Systems, Inc.) ended on 11/29/17. Nebraska Medicaid received a waiver from CMS regarding contracting with a Recovery Audit Contractor. This waiver was requested because a majority of Nebraska Medicaid Claims are now processed through the Managed Care Entities (MCEs). Nebraska State Statute 68-974 states the Department shall exclude the following from the scope of review of recovery audit contractors: (a) claims processed or paid through a capitated Medicaid manage care program.

#### **Reporting Requirements:**

##### **(a) The number and type of issues reviewed;**

During the reporting period, the following two (2) issues were reviewed:

- Pharmacy claims Eligibility Recovery: Data Analysis to identify Medicaid recipients who have other pharmacy insurance and issue Medicaid reclamation claims to insurance carriers to ensure Nebraska Medicaid remains payer of last resort.
- Medical Claims Eligibility Recovery: Data analysis to identify Medicaid recipients who have other medical insurance and issue Medicaid reclamation claims to insurance carriers to ensure Nebraska Medicaid remains payer of last resort.

##### **(b) The number of medical records requested;**

During the reporting period, there were no medical records requested.

**(c) The number of overpayment and the aggregate dollar amounts associated with the overpayments identified by the contractor;**

The dollar amount of overpayment for both claims eligibility recovery scenarios reviewed during the reporting period is \$566,793.27.

**(d) The number of underpayment and aggregate dollar amounts associated with the identified underpayments:**

There were no underpayments identified during this reporting period

**(e) The duration of audits from initiation of time to time of completion;**

The Pharmacy Claim Eligibility Recoveries started in October, 2014. The Medical Claim Eligibility Recoveries started in January 2017. All RAC recoveries ended in November 2017.

**(f) The number of adverse determinations and the overturn rating of those determinations in the appeal process;**

There were zero (0) claims with adverse determinations.

**(g) The number of appeals files by providers and the disposition status of such appeals;**

There were zero (0) appeals for this duration.

**(h) The contractor's compensation structure and dollar amount of compensation;**

The RAC contract is compensated at 10.5% of recoveries received by Nebraska DHHS. The contractor was compensated in the amount of \$59,513.30 during this reporting period.

**(i) A copy of the department's contract with the recovery audit contractor;**

<http://dhhs.ne.gov/medicaid/Documents/Recovery-Audit-Contractor.pdf>